

DEPARTMENT OF THE AIR FORCE

HEADQUARTERS ELECTRONIC SYSTEMS CENTER (AFMC)
HANSCOM AIR FORCE BASE MASSACHUSETTS



4 Mar 05

MEMORANDUM FOR SEE DISTRIBUTION

FROM ESC/CC 9 Eglin Street Hanscom AFB MA 01731-2109

SUBJECT Proper Use of Non-DoD Contracts

Section 854 of the FY05 National Defense Authorization Act requires that supplies and/or services greater than the simplified acquisition threshold (\$100K), procured through a non-DoD contract, be reviewed and approved according to agency procedures. OSD, Air Force, and AFMC have issued their respective policy letters on this new requirement, the Proper Use of Non-DoD Contracts, and those policy letters are attached to this memo.

With this memo I am issuing ESC's mandatory procedures for use when considering non-DoD contracts or orders. These procedures apply both to "direct acquisitions" (i.e. orders placed by the Air Force against non-DoD contract vehicles) and "assisted acquisitions" (i.e. contracts awarded or orders placed by non-DoD organizations using Air Force funds). Though the responsibility for determining that using a non-DoD contract or order is in the best interest of the Air Force rests with the program manager, I want to emphasize that program managers must use a team approach in making this determination. I expect each program manager to work closely with their contracting officer and financial management specialist to ensure compliance. Together, we must make sure that non-DoD contractual vehicles are only used when it is in the Air Force's best interest and when it makes prudent business sense.

As additional guidance from Air Force Materiel Command on this subject is issued, the attached procedures may change slightly. However, I do expect your immediate compliance. Furthermore, I expect program mangers to manage and track the Air Force funds we've entrusted to non-DoD entities for expenditure. If you have any questions regarding these procedures, my point of contact is Mr. Paul Commeau and he can be reached at (781) 377-5479 or via email at paul.commeau@hanscom.af.mil.

CHARLES L. JOHNSON II Lieutenant General, USAF

Commander

4 Attachments:

- 1. OSD Policy letter, dated 29 Oct 04
- 2. AF Policy letter, dated 6 Dec 04
- 3. AFMC/CV memo, dated 4 Jan 05
- 4. ESC Mandatory Procedures

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